GOVERNMENT OF INDIA
PETROLEUM AND NATURAL GAS
LOK SABHA

STARRED QUESTION NO:268
ANSWERED ON:07.12.2000
PANNA MUKTA JOINT VENTURE
P.D. ELANGOVAN;SULTAN SALAHUDDIN OWAISI

Will the Minister of PETROLEUM AND NATURAL GAS be pleased to state:

(a) whether the Enron is pulling out of the Panna Mukta joint venture;

(b) if so, the details thereof and the reasons for their pulling out;

(c) the manner in which 30% share of the joint venture owned by Enron is proposed to be taken by any of the PSUs;

(d) whether there is any proposal for ONGC to buy some of the Enron`s share in the joint venture; and

(e) if so, the details thereof ?

Answer

MINISTER OF PETROLEUM AND NATURAL GAS (SHRI RAM NAIK)

(a) to (e) :- A statement is laid on the Table of the House.

Statement referred to in reply to parts (a) to (e) of Lok Sabha Starred Question No. 268 for answer on 07.12.2000 regarding Panna-Mukta Joint Venture.

(a) & (b) :- Enron Oil & Gas India Ltd. (EOGIL) have informed Government on 13.10.2000 that they have decided to make available for acquisition their 30% interest in the Contract for Panna-Mukta fields. EOGIL has in their communication to the Government stated inter alia that :

`During the past two years, Enron Corporation has expended considerable time and effort in growing its e-commerce and market-making capabilities for various commodities. The result has been a virtual explosion in new investment opportunities, many of which were not envisioned as recently as twelve months ago. To actively pursue the current company strategy, Enron is continually evaluating its holdings, looking for opportunities to re-deploy capital into new projects with greater potential for growth.`

(c) to (e) :- The Contract for these fields provides that the companies, including EOGIL, can assign the whole or a part of their participating interest with the approval of the Government. Oil sector Public Sector Undertakings (PSUs), including Oil and Natural Gas Corporation (ONGC), evaluate commercial opportunities such as this on merits as they come up from time to time.